

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7007

BILL NUMBER: SB 200

NOTE PREPARED: Apr 14, 2005

BILL AMENDED: Apr 13, 2005

SUBJECT: Core 40 Curriculum.

FIRST AUTHOR: Sen. Lubbers

FIRST SPONSOR: Rep. Behning

BILL STATUS: As Passed House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

(A) Beginning with the 2010-2011 school year, the bill requires, with certain exceptions, a student to complete the Core 40 curriculum in order to graduate from high school.

(B) Beginning with the 2011-2012 academic year, the bill requires, with certain exceptions, a student to have completed the Core 40 curriculum to be admitted to a four-year degree program in a state educational institution.

(C) The bill requires the Department of Education to conduct a study to determine whether a shortage of math, science, and special education teachers exists.

(D) The bill makes transitional provisions maintaining the current standards until the new standards take effect.

Effective Date: July 1, 2005.

Explanation of State Expenditures: **(A)** Under the bill, the graduation class of 2010-2011 would be the first class required to complete the Core 40 curriculum as a graduation requirement. The bill does allow exceptions to these requirements. The Department of Education could see an increase in staff time associated with the order and placement of the Core 40 seal on diplomas of graduating students that have successfully completed the Core 40 requirements. If every graduating student were required to complete Core 40 requirements, the seal could be incorporated into diploma printing, which could reduce the per unit cost of Core 40 diplomas.

Background: Current Graduation Requirements- Beginning with the graduating class of the 1999-2000 school year, students that expected to graduate with a diploma were required to either: (1) complete all high school graduation credit requirements in addition to receiving a score at or above the Indiana Academic Standard on the GQE; (2) successfully complete all components of the Core 40 curriculum; or (3) successfully appeal the examination test results in accordance with current law. A student who does not receive a score at or above the Indiana Academic Standard may retake the examination during each semester of each grade following the grade in which the student is initially tested.

Core 40 Diplomas- In school year 2002-2003, 36,908 students graduated with a Core 40 diploma (about 63.3% of total diplomas awarded in that year). Twelfth grade enrollment for school year 2002-2003 was 64,059 public and 7,144 nonpublic.

(B) The requirement that students need to have completed the Core 40 curriculum to be admitted to a four-year degree program in a state higher educational institution should have minimal impact since many higher education institutions currently have or are considering this requirement. The bill does allow these institutions to grant exceptions to these requirements for admissions. This provision applies to admissions beginning in the 2011-2012 school year.

(C) Under the bill, the Department of Education would be required to conduct a survey of schools to determine teacher shortages in certain subjects and areas. The Department would be required to report the results and recommendations from the survey by November 1, 2005. Depending on how the Department conducts the survey, the Department should be able to cover the cost of the survey within existing resources.

Explanation of State Revenues:

Explanation of Local Expenditures: **(A)** *Core 40-* School corporations may have to redistribute existing resources in order to accommodate the requirements of all students fulfilling Core 40 requirements in order to graduate. The bill does allow for exceptions to these requirements. Since this requirement is for students graduating in the 2010-2011 school year, school corporations will have to begin adjusting their curriculum and staffing patterns by the fall of 2007.

Schools may need to increase the number of Core 40 classes offered and decrease non-Core 40 classes. Additionally, some schools may have capital or renovation expenses associated with equipping classrooms to accommodate more science classes if existing classrooms or facilities cannot be modified.

Schools could address the increase in Core 40 classes in several ways: (1) have existing Core 40 teachers teach additional Core 40 classes, (2) shift teachers from non-Core 40 instruction to Core 40, or (3) hire new teachers to instruct Core 40 classes.

The impact of this requirement on individual school corporations is dependent on a number of factors, including future tuition support formulas, individual school budgets, the distribution of students in various classes, and the availability of, or reallocation of, staff to accommodate the shift in curriculum.

Parent/Counselor Meetings On Student's Progress- Under the bill, if a student receives a score on the graduation examination in the 25 percentile or lower, the student's parent and a school counselor would be required to discuss the student's progress. School staff may see an increase in administrative time necessary

to conduct the required meetings.

Explanation of Local Revenues:

State Agencies Affected: Department of Education, Education Roundtable, institutions of higher education.

Local Agencies Affected: School corporations.

Information Sources: Phyllis Usher, Department of Education: *Indiana Annual State Report Card 2003*; DOE SAS and ORACLE DATABASES; Indiana State Budget Agency BUDSTARS; State Budget Agency: *General Fund, Property Tax Replacement Fund, Rainy Day Fund, Fiscal Year Ending June 30, 2004, And Summaries.*

Fiscal Analyst: Chris Baker, 317-232-9851.